

# SB2235



## 99TH GENERAL ASSEMBLY

### State of Illinois

2015 and 2016

SB2235

Introduced 1/13/2016, by Sen. William R. Haine

#### SYNOPSIS AS INTRODUCED:

5 ILCS 375/6.12a new

Amends the State Employees Group Insurance Act of 1971. Provides that the failure of the State to make any payment to a provider for a period of 6 months may be considered by the provider to be a material breach of the contract by the State. Provides that a provider who has entered into a contract to provide services under the Act and who has not received any payment for services for a period of 6 months (1) may consider the contract null and void; (2) may opt out of the obligation to provide services under the terms and conditions of the contract; and (3) shall, upon providing notice to the State department, be deemed an out-of-network provider. Effective immediately.

LRB099 16134 MLM 40459 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The State Employees Group Insurance Act of 1971  
5 is amended by adding Section 6.12a as follows:

6 (5 ILCS 375/6.12a new)

7 Sec. 6.12a. Nullification of in-network provider  
8 contracts. The failure of the State of Illinois to make any  
9 payment to a provider for a period of 6 months may be  
10 considered by the provider to be a material breach of the  
11 contract by the State. Notwithstanding the provisions of  
12 Section 6.12, a provider who has entered into a contract to  
13 provide services under this Act and who has not received any  
14 payment for services for a period of 6 months: (1) may consider  
15 the contract null and void; (2) may opt out of the obligation  
16 to provide services under the terms and conditions of the  
17 contract; and (3) shall, upon providing notice to the  
18 Department, be deemed an out-of-network provider.

19 Section 99. Effective date. This Act takes effect upon  
20 becoming law.